

Table of Contents

Ninth Revised Sheet No. 4	2
Original Sheet No. 8	3
Original Sheet No. 12	4
Substitute Original Sheet No. 14	5
Substitute Original Sheet No. 16	6
Original Sheet No. 17	7
Original Sheet No. 24	8
Original Sheet No. 32	9
Original Sheet No. 33	10
Original Sheet No. 37	11
Substitute Original Sheet No. 40	12
Original Sheet No. 43	13

Effective Date: 10/01/1997 Status: Effective

FERC Docket: TM98-1-53-000

Ninth Revised Sheet No. 4 K N Interstate Gas Transmission Co.: First Revised Volume No. 1-C
 Ninth Revised Sheet No. 4 : Superseded
 Superseding: Eighth Revised Sheet No. 4

Schedule of Rates for Firm Transportation - Buffalo
 Wallow Market Center (FT-BW) and Interruptible
 Transportation - Buffalo Wallow Market Center (IT-BW)

Minimum Commodity Rate Schedule Fee	Maximum Fuel Reimbursement Percentage	Delivery Point	Receipt Point	Maximum Reservation Fee	Maximum Commodity Fee
----- -----	----- -----	----- -----	----- -----	----- -----	----- -----
1/	3/			1/	1/
Firm Transportation FT 0.0056	1.08%	Production Area 4	Production Area 4	2.5558	0.0056
Interruptible Transportation IT 0.0056	1.08%	Production Area 4	Production Area 4	-	0.0896
Authorized Overrun Charges FT 0.0056	1.08%	ALL	ALL	-	0.0896
Unauthorized Overrun Charges FT -	-	ALL	ALL	-	6.0000
ACA -	-	2/		-	0.0022
GRI-Commodity/FT, IT -	-	2/		-	0.0088
GRI-Monthly Demand FT					
Load Factor 50% or Less -	-	2/		0.1600	-
Load Factor Over 50% -	-	2/		0.2600	-

1/Reservation rates are \$MMBtu per Month. Commodity Charges are \$MMBtu. Minimum reservation charges (including GRI) are \$0.000.

2/Additional Charges applied to All Rate Schedules As Required.

3/Backhauls within a Production Area or Market Area have no fuel use, however, incur 0.45% lost and unaccounted-for.

RATE SCHEDULE FT-BW - continued

3. SERVICE DEFINITIONS

3.1 FUEL REIMBURSEMENT QUANTITY.

- a. The Fuel Reimbursement Quantity shall be the value of that portion of Shipper's natural gas received by Transporter for transportation which shall be retained by Transporter as compensation for gas used in rendering service to Shipper, including Company used gas, and lost and unaccounted for gas. This gas shall be retained by Transporter reducing the thermally equivalent volumes available for delivery to Shipper. The Fuel Reimbursement Quantity shall be stated as a percentage of the natural gas received by Transporter at the Point(s) of Receipt.
- b. Title to any Fuel Reimbursement Quantity shall vest in Transporter upon receipt at the Receipt Point(s) at no cost and free and clear of all adverse claims.
- c. Any Fuel Reimbursement Quantity will be determined pursuant to Section 15 of the General Terms and Conditions of the FERC Gas Tariff.

3.2 MAXIMUM DAILY TRANSPORTATION QUANTITY. The Maximum Daily Transportation Quantity (MDTQ) shall be the maximum quantity of natural gas, in MMBtu, which Transporter agrees to deliver on any day for the account of Shipper at all Delivery Point(s). Such delivery points and such MDTQ shall be specified in the executed Service Agreement.

3.3 PRIMARY RECEIPT POINT(S). Primary Receipt Points are those receipt points from which the Shipper desires firm service and which are set forth in the Service Agreement. The volume specified for a Primary Receipt Point shall not exceed the available firm capacity at that point.

3.4 SECONDARY RECEIPT POINT(S). A Shipper holding FT-BW Service may nominate from any number of Secondary Receipt Points. The sum of the nominated quantities at all Primary and Secondary Receipt Points, less any Fuel Reimbursement Quantity and other deductions, shall not exceed the Maximum Daily Transportation Quantity (MDTQ) of the Agreement on any given day.

RATE SCHEDULE FT-BW - continued

- 5.2 MONTHLY BILL. Commencing with the month in which the FT-BW Service Agreement is effective and each month thereafter, Transporter shall charge and Shipper shall pay Transporter the sum of the following amounts:
- a. RESERVATION CHARGE. For each Primary Path, the Reservation Charge shall be the product of:
 - (1) The Maximum Reservation rate by Primary Path, unless otherwise agreed to in writing; and
 - (2) The MDDQ specified by Primary Path in Shipper's FT Service Agreement.
 - b. COMMODITY CHARGE. The commodity rate multiplied by the volume in MMBtu of gas delivered by Transporter during the month at the Point(s) of Delivery.
 - c. DAILY OVERRUN CHARGES.
 - (1) Authorized Overrun Charge. If on any day Transporter has capacity available and Shipper desires to transport gas exceeding the Maximum Daily Delivery Quantity, or in the aggregate exceeding the Maximum Daily Transportation Quantity (by accepting nominations in excess of these quantities) Transporter may authorize delivery of the gas. Quantities of gas moved in excess of the MDDQ or the MDTQ will be subject to a charge equal to the authorized overrun rate as shown on Sheet 4 of this tariff.
 - (2) Unauthorized Overrun Charge. A daily overrun charge shall be paid by Shipper for taking a daily quantity of gas which was not nominated exceeding the Maximum Daily Delivery Quantity (MDDQ) exceeding the level to which deliveries have been curtailed, or in the aggregate, exceeding the Maximum Daily Transportation Quantity (MDTQ). Quantities of overrun gas in excess of seven percent (7%) or 50 MMBtu over the above quantities, following a notice period of forty-eight

Effective Date: 12/02/1994 Status: Effective
 FERC Docket: RP95- 35-002

Substitute Original Sheet No. 14 Substitute Original Sheet No. 14 : Superseded
 Superseding: Original Sheet No. 14

RATE SCHEDULE FT-BW - continued

desire for Transporter to offset the imbalances.
 After receiving notices from both trading parties,
 Transporter will reflect the trade by posting adjusted
 imbalances on the EBB.

- (3) At the end of the trading period, Transporter will charge for, or credit for, any remaining imbalance according to the Schedule below:

Imbalance as % of Actual Deliveries	Rate as a % of Average Market Index*	
	KNI Charge	KNI Credit
0 to 3%	100%	100%
Over 3% - less than 5%	105%	95%
5% - less than 10%	110%	90%
10% - less than 20%	120%	80%
20% or more	130%	70%

* Average of the first of the month index and the mid-point of the aftermarket range for ANR, El Paso, NGPL, NorAm, PEPL, Transwestern, and WNG as reported by "Inside FERC Gas Market Report", for the month in which the imbalance occurred.

e. DAILY VARIANCE CHARGE.

- (1) If the sum of actual receipts at all physical Receipt Points under the Service Agreement varies from the aggregate Approved Daily Nomination at such Receipt Points or the sum of all deliveries at all physical delivery points varies from the aggregate Approved Daily Nomination at such Delivery Points by 7% or 50 MMBtu, whichever is greater (hereinafter called the Tolerance Level), a Daily Variance Charge shall be assessed. The Daily Variance Charge shall be applied to each Service Agreement with respect to which actual receipt or deliveries vary from the aggregate Approved Daily Nomination in excess of the Tolerance Level. The Daily Variance Charge shall be \$0.09 per MMBtu for each MMBtu of receipts or deliveries in excess of the Tolerance Level, on a daily basis.

Substitute Original Sheet No. 16 Substitute Original Sheet No. 16 : Superseded
Superseding: Original Sheet No. 16

RATE SCHEDULE FT-BW - continued

- (2) A reimbursement schedule setting the terms, the rate, and the conditions for reimbursement of the Additional Facility charge, including an obligation to reimburse Transporter, upon demand, for any unamortized capital charges, under an agreed upon amortization schedule, which may remain in service by Transporter to Shipper under this Rate Schedule is terminated prior to the end of said amortization period.
 - (3) Transporter may allocate Additional Facility Charges among multiple Shippers pro rata, based on the percentage of requested use of the facilities.
- b. FILING FEES. Any and all filing and approval fees required in connection with Shipper's Service Agreement that Transporter is obligated to pay to the FERC or any other governmental authority having jurisdiction. Any filing and approval fees paid by Shippers will not be included in Transporter's cost of service.

Any reimbursement due Transporter by Shipper pursuant to this Section 5.3 shall be due and payable to Transporter within ten (10) days of the date of Transporter's invoice(s) for same.

- 5.4 In the event of a force majeure occurrence as defined in Section 16 of the General Terms and Conditions of Transporter's Buffalo Wallow FERC Gas Tariff, Shipper shall not be relieved from its obligation to make payment of amounts then due or which become due. If Shipper's obligation to pay a Daily Variance Charge or a portion of the Monthly Balancing Charge under this Rate Schedule is a direct consequence of an imbalance which occurs as a result of Transporter's force majeure as defined in Section 16 of the General Terms and Conditions of Transporter's Buffalo Wallow FERC Gas Tariff, Shipper shall be relieved of such charges.

6. SCHEDULING OF RECEIPTS AND DELIVERIES

- 6.1 NOMINATIONS. If Shipper desires transportation of gas on any day under this Rate Schedule, Shipper shall:

RATE SCHEDULE FT-BW - continued

- a. Notify Transporter by noon CST the day prior to the day on which Shipper desires transportation. Transporter shall have no obligation to transport gas for Shipper under this Rate Schedule if Shipper's notice (nomination) is not timely. Nominations received after noon CST the day prior to the day on which Shipper desires transportation will be accepted on a reasonable efforts basis only. All nominations shall be conducted electronically unless Shipper is notified by Transporter that paper nominations are required because of technical problems with the EBB.
- b. Include in the nomination the quantity of gas to be received by Transporter (including Shipper's transportation volumes and Btu levels, overrun volumes, any volumes to satisfy past imbalances, and any Fuel Reimbursement Quantity for volumes at each specified Receipt Point), receipt points (primary and/or secondary), and the quantity to be delivered by Transporter at each specified delivery point (primary and/or secondary) on the desired gas day, but no sooner than the following day. The total receipt nominations less any Fuel Reimbursement Quantity and other deductions must equal the equivalent thermal quantity of either nominations for actual delivery or delivery into an Aggregation Pool.
- c. Receive a response from Transporter by 5:00 p.m. (CST) if Transporter does not have the capacity to accept and/or deliver the requested quantities for the following day.
- d. Submit nominations to Transporter by noon (CST) three (3) business days prior to the first day of the month for service to begin on the first day of the month. Nominations received less than three (3) days in advance will be accepted on a reasonable efforts basis only.
- e. Provide contract numbers for both upstream and downstream parties, if known, and each nominated receiving or delivering Aggregation Pool.
- f. Nominate no more than one transportation rate per nomination.

Effective Date: 12/02/1994 Status: Effective
FERC Docket: RP95- 35-000

Original Sheet No. 24 Original Sheet No. 24 : Superseded

FORM OF FIRM TRANSPORTATION SERVICE AGREEMENT - continued

ARTICLE XIII
AGGREGATION POOLING SERVICES

Shipper may request that Transporter provide Aggregation Pooling Services under this Firm Transportation Service Agreement, in accordance with the General Terms and Conditions of Transporter's Buffalo Wallow FERC Gas Tariff.

ARTICLE XIV
SPECIFIC INFORMATION

Firm Transportation Service Agreement between K N Interstate Gas Transmission Co. ("Transporter") and _____ ("Shipper").

Contract Number: _____

Contract Date: ___/___/___

Term: _____

Termination Notice: _____

Shipper: _____
Mailing Address: _____
Street Address: _____
Telephone: _____
Facsimile: _____

Quantity:

Maximum Daily Transportation Quantity: _____ MMBtu per day

Rate:

The rate charged will be the maximum transportation rate unless otherwise agreed to in writing.

Effective Date: 12/02/1994 Status: Effective

FERC Docket: RP95- 35-000

Original Sheet No. 37 Original Sheet No. 37 : Superseded

RATE SCHEDULE IT-BW - continued

- b. Title to any Fuel Reimbursement Quantity shall vest in Transporter upon receipt at the Receipt Point(s) at no cost and free and clear of all adverse claims.
 - c. Any Fuel Reimbursement Quantity will be determined pursuant to Section 15 of the General Terms and Conditions of the FERC Gas Tariff.
- 3.2 MAXIMUM DAILY TRANSPORTATION QUANTITY. The Maximum Daily Transportation Quantity (MDTQ) shall be the maximum quantity of natural gas in MMBtu which Transporter agrees to deliver to Shipper on any day for the account of Shipper at any nominated Delivery Point(s), should capacity be available. Such delivery points and such MDTQ shall be specified in the executed Service Agreement.
- 3.3 APPROVED DAILY NOMINATION. The Approved Daily Nomination shall mean that quantity of gas which Transporter has approved to be transported on a particular day.
4. REQUIREMENTS FOR VALID REQUEST FOR INTERRUPTIBLE TRANSPORTATION SERVICE
- 4.1 All Shippers requesting interruptible transportation service must submit a completed Buffalo Wallow Transportation Service Request Form as set forth in Volume 1-C. No request for interruptible service will be entered on Transporter's log, or gas scheduled for receipt and delivery, until all such information and a completed Buffalo Wallow Transportation Service Request Form has been received by Transporter. All completed Buffalo Wallow Transportation Service Request Forms are to be submitted on the electronic bulletin board or sent to:
- K N Interstate Gas Transmission Co.
P.O. Box 281304
Lakewood, Colorado 80228-8304
- Attention: Transportation Department

Effective Date: 12/02/1994 Status: Effective
 FERC Docket: RP95- 35-002

Substitute Original Sheet No. 40 Substitute Original Sheet No. 40 : Superseded
 Superseding: Original Sheet No. 40

RATE SCHEDULE IT-BW - continued

Imbalance as % of Actual Deliveries	Rate as a % of Average Market Index*	
	KNI Charge	KNI Credit
0 to 3%	100%	100%
Over 3% - less than 5%	105%	95%
5% - less than 10%	110%	90%
10% - less than 20%	120%	80%
20% or more	130%	70%

* Average of the first of the month index and the mid-point of the aftermarket range for ANR, El Paso, NGPL, NorAm, PEPL, Transwestern, and WNG as reported by "Inside FERC Gas Market Report", for the month in which the imbalance occurred.

c. DAILY VARIANCE CHARGE.

- (1) If the sum of actual receipts at all physical Receipt Points under the Service Agreement varies from the aggregate Approved Daily Nomination at such Receipt Point or the sum of all deliveries at all physical Delivery Points varies from the aggregate Approved Daily Nomination at such Delivery Points by 7% or 50 MMBtu, whichever is greater (hereinafter called the Tolerance Level), a Daily Variance Charge shall be assessed. The Daily Variance Charge shall be applied to each Service Agreement with respect to which actual receipts or deliveries vary from the aggregate Approved Daily Nomination in excess of the Tolerance Level. The Daily Variance Charge shall be \$0.09 per MMBtu for each MMBtu of receipts or deliveries in excess of the tolerance level, on a daily basis.

Effective Date: 12/02/1994 Status: Effective

FERC Docket: RP95- 35-000

Original Sheet No. 43 Original Sheet No. 43 : Superseded

RATE SCHEDULE IT-BW - continued

- a. Notify Transporter by noon CST the day prior to the day on which Shipper desires transportation. Transporter shall have no obligation to transport gas for Shipper under this Rate Schedule if Shipper's notice (nomination) is not timely. Nominations received after noon CST the day prior to the day on which Shipper desires transportation, will be accepted on a reasonable efforts basis. All nominations shall be conducted electronically unless Shipper is notified by Transporter that paper nominations are required because of technical problems with the EBB.
- b. Include in the nomination the quantity of gas to be received by Transporter (including Shipper's transportation volumes and Btu levels, overrun volumes, any volumes to satisfy past imbalances, and any Fuel Reimbursement Quantity for volumes at each specified Receipt Point) and the quantity to be delivered by Transporter at each specified delivery point on the desired gas day, but no sooner than the following day. The total receipt nominations less any Fuel Reimbursement Quantity and other deductions must equal the equivalent thermal quantity of either nominations for actual delivery or delivery into an Aggregation Pool. Transactions to which different rates apply shall be nominated separately.
- c. Receive a response from Transporter by 5:00 p.m. (CST) if Transporter does not have the capacity to accept and/or deliver the requested quantities for the following day.
- d. Submit nominations to Transporter by noon (CST) three business days prior to the first day of the month for service to begin on the first day of the month. Nominations received less than three (3) days in advance will be accepted on a reasonable efforts basis only.

